

# **AFFORDABLE HOUSING LOTTERY**

## **HOME OWNERSHIP- SENIOR HOUSING RIVERSIDE WOODS AT ANDOVER, MA**

**4 ONE-BEDROOM & 4 TWO-BEDROOM  
GARDEN STYLE CONDOMINIUMS  
AFFORDABLE PRICES- \$106,000- \$287,000**

**MUST BE INCOME ELIGIBLE AND ASSET ELIGIBLE  
(\$275,000 INCLUDING PROCEEDS FROM THE SALE OF A HOUSE)**

1 PERSON-	\$36,840 (60%)	\$47,600 (80%)	\$73,680 (120%)
2 PERSONS-	\$42,060 (60%)	\$54,400 (80%)	\$84,120 (120%)
3 PERSONS-	\$47,340 (60%)	\$61,200 (80%)	\$105,120 (120%)

**DEVELOPED BY PULTE HOMES OF NEW ENGLAND, LLC  
MARKETED BY JWO CONSULTANT SERVICES**

**INFORMATIONAL MEETING- 9/6/17- 6 PM**  
MEMORIAL HALL LIBRARY, 2 NORTH MAIN STREET, ANDOVER, MA

**LOTTERY DRAWING-10/17/17- 6 PM**  
MEMORIAL HALL LIBRARY, 2 NORTH MAIN STREET, ANDOVER, MA

**APPLICATIONS DUE- 10/9/17- 5 PM**  
JWO CONSULTANT SERVICES  
P.O. BOX 323  
WESTWOOD, MA 02090

**APPLICATIONS AND INFORMATION AVAILABLE AT:**  
ANDOVER TOWN HALL  
MEMORIAL HALL LIBRARY  
ANDOVER COUNCIL ON AGING  
ONLINE AT [www.riversidewoodslottery.com](http://www.riversidewoodslottery.com)  
OR BY REQUEST AT (781) 329-8201

**CALL JWO CONSULTANT SERVICES AT ABOVE NUMBER WITH QUESTIONS**



## INFORMATION PACKET

### ANDOVER AFFORDABLE HOUSING LOTTERY

#### RIVERSIDE WOODS

This packet contains specific information on the background, eligibility requirements, selection priority categories, application process and the affordable housing program that is part of the Riverside Woods condominium development. The developer of this project, Pulte Homes of New England, LLC, invites you to read this information and submit an application if you think that you meet the eligibility requirements. This lottery is the first step in the application process and does not assure you a condominium. If you are selected in the lottery, you must then apply and secure approval for a mortgage which must meet the following minimum standards : the loan must have a fixed interest rate through the full term of the mortgage, the loan must have a current fair market interest rate (no more than two percentage points above the current Mass Housing rate), the loan must have no more than two points, the buyer must provide a down payment of at least 3%, half of which must come from buyer's own funds, and the buyer may not pay more than 38% of their monthly income for monthly housing costs (inclusive of principal, interest, property taxes, hazard insurance, private mortgage insurance and condominium fees).

**Individuals who have a financial interest in the development and their immediate families are not eligible for this program.** Please contact the lottery administrator for further information.



---

**RIVERSIDE WOODS  
459 RIVER ROAD  
ANDOVER, MA 01810  
PHONE NUMBER: (781) 329-8201**

**BACKGROUND  
Affordable Housing in Andover  
(Information Sheet A)**

---

A developer, Pulte Homes of New England, LLC, and the Town of Andover are working to provide this affordable housing opportunity in Andover through the Local Action Units Program. In this project, a total of thirty (30) affordable condominiums will be constructed in Andover. Twelve (12) units will be sold to homebuyers age 62 or older with incomes that shall not exceed 80% of the area median income, nine (9) affordable units will be sold to homebuyers age 62 or older with incomes that shall not exceed 60% of the area median income, and nine (9) affordable units will be sold to homebuyers age 62 or older with incomes that shall not exceed 120% of area median income.

The price of these one bedroom units will be \$106,000-\$250,000 and the two bedroom units will be \$ 119,000-\$287,000. There will be a total of thirty affordable units in this development. These condominiums are part of a 200 unit condominium development called Riverside Woods. The condo fees are projected to be \$130 per month for the one bedroom affordable units and \$150 for the two bedroom affordable units. This fee is proportional to the fees of the market rate units.

Riverside Woods will be a senior residential development with a variety of housing options for seniors, from garden style units to detached town homes running along the frontage of River Road. All of the affordable units are one and two bedroom garden style condominiums in four separate buildings. Twenty-one (21) units will be available as affordable units through the Local Initiative Program. These units are identical in outward appearance to the market rate units and the interior finishes will be similar, but not upgraded.

All affordable units must be owner occupied as a primary residence and will have a "Deed Restriction" that will be filed with the mortgage at the time of purchase. This deed restriction limits the amount that the unit can be refinanced for or resold for, or leased, and requires another affordable buyer. The deed restriction insures that the unit stays affordable in perpetuity.

Since it is anticipated that there will be more interested and eligible applicants than available condominiums, the developer will be sponsoring an application process and lottery to rank the eligible applicants for the program. The application and lottery process as well as the eligibility requirements, are described in Information Sheets B-E. Applications are available at the Andover Town Hall, Andover Public Library, and the Andover Senior Center or online at [www.riversidewoodslottery.com](http://www.riversidewoodslottery.com) **or by request at (781) 329-8201.**

**A public information workshop is scheduled for SEPTEMBER 6, 2017 at 6 PM at the Andover Public Library, Andover, MA**

---

**RIVERSIDE WOODS  
459 RIVER ROAD  
ANDOVER, MA 0180  
PHONE NUMBER: (781) 329-8201**

**ELIGIBILITY REQUIREMENTS  
Affordable Housing in Andover  
(Information Sheet B)**

---

**Q: Who is eligible to apply for the affordable condominiums in Andover?**

**A:** Households who meet income and asset limits set by the Department of Housing and Urban Development (HUD). One of the household members must be age 62 or older.

**Q: What are the eligibility requirements?**

**A:** To be eligible to purchase an affordable condominium annual income must be within a particular range, set by maximum and minimum income levels as follows:

**Maximum Household Income**

To be eligible to apply for purchasing an affordable condominium, the combined annual income for all income sources of all income-earning members in the household must be at or below sixty (60%) percent, eighty percent (80%), or one hundred twenty (120%) of median income for the Lawrence Massachusetts-NH PMSA area. Income in most cases is defined as **gross** income. The maximum income allowed for this program is:

<b><u>Household Size</u></b>	<b><u>60% Income</u></b>	<b><u>80% Income</u></b>	<b><u>120% Income</u></b>
<b>1 person</b>	<b>\$36,840</b>	<b>\$47,600</b>	<b>\$73,680</b>
<b>2 persons</b>	<b>\$47,600</b>	<b>\$54,400</b>	<b>\$84,120</b>
<b>3 persons</b>	<b>\$73,680</b>	<b>\$61,200</b>	<b>\$105,120</b>

**Down Payment Requirements:**

A Down Payment of at least three percent of the purchase price is required. One and one half percent of the sale price must be from the applicants own funds. Co-signers are not allowed for this program.

---



### Minimum Income

To qualify for a mortgage loan to purchase these condominiums, there will be minimum income limits to be determined by the lender. Normally, the bank will use a "Housing Debt Ratio" of housing expense to include principal, interest, mortgage insurance, real estate taxes, and homeowner's insurance at 30% and a "Total Debt Ratio" including housing and all other debts of 38%. The precise minimum income requirements will vary for each applicant according to the terms of the loan, the amount of down payment, the interest rate, and other factors. Assuming current interest rates and terms, the minimum income required to qualify for a mortgage loan appears to be ***approximately*** \$50,000.

**Q:** What if there are more eligible applicants than units available?

**A:** If there are more applicants than units, as is likely, a Lottery drawing will be held to rank the applicants in order that their numbers are drawn. Households requiring two bedrooms will receive first preference over households that require only one bedroom.

### Asset Limits

Household asset limits shall not exceed \$275,000, including net proceeds from the sale of a house. Assets may include net cash value of stocks, savings, bonds, retirement funds, and other capital investments and proceeds from the sale of a house. The value of personal property such as furniture and clothing will not be counted. Income from assets over \$5,000 will be counted towards household income. Any assets sold within the last two years for less than full market value will be counted at fair and full market value. A settlement statement is required from the sale of a house. Please see Appendix A for a complete definition of assets for this affordable housing program.

---

**RIVERSIDE WOODS  
459 RIVER ROAD  
ANDOVER, MA 01810  
PHONE NUMBER: (781) 329-8201**

**SELECTION PRIORITY  
Affordable Housing in Andover  
(Information Sheet C)**

---

**Q: How will applicants for the affordable condominiums be selected?**

**A:** Households submitting an eligible application prior to the application deadline will be placed in a lottery. Applications will be screened before the lottery. Applicants will be ranked according to their lottery number drawn. Late applications will not be considered for the lottery- **there will be no exceptions to this rule.** After the lottery, the highest ranked participants will be invited to apply for a final (mortgage loan) application to purchase an affordable unit. Affordable condominiums will be offered to the highest-ranking applicants who are found to be eligible and qualify for a home mortgage loan. Applicants will have 30 days to secure financing.

**Q: Will there be Local Preference for some of the units?**

**A:** There will be Local Preference for the seventy percent of the units at Riverside Woods. All applications will be drawn from the General pool. Local preference is defined as follows:

- 1. Applicants who currently reside in the Town of Andover**
- 2. Applicants who currently work for the Town of Andover**
- 3. Applicants who currently work for a business in the Town of Andover**
- 4. Applicants with a child in the local school system.**

Guidelines for the Local Initiative Program require that a representative number of Minority applicants participate in the Local Preference drawing. Andover is designated to have 27% Minority representation so Minority applicants from the General Pool may be added to the Local Pool to meet these standards. All Local Pool applicants are also included in the drawing for the General Pool.

**Q: Is there any preference for household size?**

**A:** The households that require two bedrooms will be drawn first from the applicant pool. There must be at least one occupant per bedroom and no more than two per bedroom. A husband and wife, or those living in a similar living arrangement, shall be required to share a bedroom unless they provide medical documentation on a severe adverse impact of sharing. Households that do not require two bedrooms will be drawn next. If there is no local household needing the number of bedrooms, the unit will be offered to the first general applicant needing the number of bedrooms,



**RIVERSIDE WOODS  
459 RIVER ROAD  
ANDOVER, MA 018106  
PHONE NUMBER: (781) 329-8201**

**SELECTION PRIORITY  
Affordable Housing in Andover  
(Information Sheet D)**

---

**Q: What is the schedule for applications and the selection of buyers for the affordable condominiums at Riverside Woods?**

**8/9-10/9/17:** The developer will be publicizing the availability of this affordable housing opportunity in Andover all interested citizens throughout the area.

**9/6/17:** A Public Workshop will take place at the Andover Public Library, Andover, MA on September 6, 2017 at **6 PM** to answer questions about the lottery process. Advertising will continue for the sixty-day marketing period from 8/8/17 to 10/9/17.

**10/9/17:** Homebuyers interested in applying for one of the twenty affordable condominiums should complete and submit an application to participate in the lottery. The deadline for application submittal is October 9, 2017 **AT 5 PM**.

**ALL APPLICATIONS SHOULD BE MAILED TO JWO  
CONSULTANT SERVICES, P.O. BOX 323, WESTWOOD, MA  
02090. Applications must be postmarked by October 9, 2017.  
Late applications will not be accepted.**

**10/17/17:** The lottery for Riverside Woods will be held at the Andover Public Library, Andover, MA at 6 PM.

**RIVERSIDE WOODS  
459 RIVER ROAD  
ANDOVER, MA 01810  
PHONE NUMBER: (781) 329-8201**

---

**MAIL YOUR APPLICATIONS EARLY**

Upon receipt of a completed signed Lottery application the application will then be reviewed to determine if the household meets the threshold eligibility criteria. Eligible applicants will be issued a letter and lottery number confirming entry in the lottery selection process within ten days (10) days after the close of the advertising and pre-lottery activities period.

Your application will be reviewed for eligibility after it has been received. If you are eligible to enter the lottery, you will be notified with a confirmation letter that will include your registration number as well as information regarding the pool you are eligible to participate in. If you are eligible for the Andover Local preference pool, you will also be qualified to enter the general pool as well.

You are encouraged, but not required to be present at the lottery drawing. Once the lottery selection is complete, the selected applicants will be notified that they must begin the process of obtaining their financing. If at any point in the lottery process, a selected applicant becomes ineligible, the next eligible applicant on the wait list will be notified and they must begin the process of obtaining their financing. If you are a selected lottery applicant, you will have a period of 30 days from the lottery date to secure financing.

**RIVERSIDE WOODS  
459 RIVER ROAD  
ANDOVER, MA 01810  
PHONE NUMBER: (781) 821-0000**

**DESCRIPTION OF RIVERSIDE WOODS  
(Information Sheet E)**

---

Riverside Woods is a Senior Housing development for age 62 or over that is being constructed at 459 River Road in Andover, MA. A total of two hundred housing units will be built in this development with thirty units being designated as affordable units. The affordable units will be dispersed throughout four buildings with 186 garden style units. The first units will be available during late fall of 2017.

The affordable units will be a variety of one and two bedroom units. The price of the affordable one bedroom units will be \$106,00-\$255,000 and the price of the affordable two bedroom units will be \$119,000- \$287,000. The condo fee for the one bedroom units will be \$130 and the condo fee for the two bedroom units will be \$150.

There will be eight affordable units available in Buildings number 1, 3, and 4. Six Affordable units will be available in Building 3.



---

## Department of Housing and Community Development (DHCD) Eligibility Summary for the Subsidized Housing Inventory (SHI)

### Appendix A: Definition of Assets

**The value of necessary items of personal property, such as furniture or automobiles shall be excluded. Determination of assets shall be based upon a full and fair present cash value of the asset at the time of application to the program. If a potential purchaser divests himself or herself of an asset for less than full and fair present cash value of the asset within one year prior to application, the full and fair cash value of the asset at the time of its disposition must be declared and shall be included for purposes of calculating eligibility.**

**Household Assets include the following:**

1. Cash held in savings and checking accounts, safe deposit boxes, homes, etc: For savings accounts, use the current balance. For checking accounts, use the average balance for the last six months. Assets held in foreign countries are considered assets.

2. Revocable trusts: The cash value of any revocable trust available to the applicant

3. Equity in rental property or other capital investments: The current fair market value less (a) any unpaid balance on any loans secured by the property and (b) reasonable costs that would be incurred in selling the asset (e.g., penalties, broker fees, etc.).

4. Stocks, bonds, Treasury bills, certificates of deposit, mutual funds, and money market accounts: The value of stocks and other assets vary from one day to another and should be determined within a reasonable time in advance of the applicant's submission of an application to participate in the subject housing program.

5. Individual retirement, 401K, and Keogh accounts: When the holder has access to the funds, even though a penalty may be assessed. If the applicant is making occasional withdrawals from the account, determine the amount of the asset by using the average balance for the previous six months. (Do not count withdrawals as income.)

6. Retirement and pension funds

a) While the person is employed:

- Amounts the applicant can withdraw without retiring or terminating employment. Count the whole amount less any penalties or transaction costs.

b) At retirement, termination of employment, or withdrawal:

- Periodic receipts from pension and retirement funds are counted as income. Lump-sum receipts from pension and retirement funds are counted as assets. Count the amount as an asset or as income, as provided below. If benefits will be received in lump sum, include the lump-sum receipt in net household assets. If benefits will be

received through periodic payments, include the benefits in annual income. Do not count any remaining amounts in the account as an asset.

If the applicant initially receives a lump-sum benefit followed by periodic payments, count the lump-sum benefit as an asset as provided in the example below and treat the periodic payment as income. In subsequent years, count only the periodic payment as income. Do not count the remaining amount as an asset.

**NOTE:** This paragraph assumes that the lump-sum receipt is a one-time receipt and that it does not represent delayed periodic payments. However, in situations in which a lump-sum payment does represent delayed periodic payments, then the amount would be considered as income and not an asset.

7. Cash value of life insurance policies available to the applicant before death (e.g., the surrender value of a whole life policy or a universal life policy): It would not include a value for term insurance, which has no cash value to the applicant before death.

8. Personal property held as an investment: Gems, jewelry, coin collections, or antique cars held as an investment. Personal jewelry is NOT considered an asset.

9. Lump-sum receipts or one-time receipts: Inheritances, capital gains, one-time lottery winnings, victim's restitution, settlements on insurance claims (including health and accident insurance, worker's compensation, and personal or property losses), and any other amounts that are not intended as periodic payments.

10. A mortgage or deed of trust held by an applicant: Payments on this type of asset are often received as one combined payment of principal and interest with the interest portion counted as income from the asset. This combined figure needs to be separated into the principal and interest portions of the payment. (This can be done by referring to an amortization schedule that relates to the specific term and interest rate of the mortgage.)

To count the actual income for this asset, use the interest portion due, based on the amortization schedule, for the 12-month period following the certification. To count the imputed income for this asset, determine the asset value at the end of the 12-month period following the certification.

Household Assets DO NOT include the following:

- **Personal property (clothing, furniture, cars, wedding ring, other jewelry that is not held as an investment, vehicles specially equipped for persons with disabilities).**
- **Interests in Indian trust land.**
- **Term life insurance policies (i.e., where there is no cash value).**
- **Equity in the cooperative unit in which the applicant lives.**
- **Assets that are part of an active business: "Business" does NOT include rental of properties that are held as investments unless such properties are the applicant's main occupation.**
- **Assets that are NOT effectively owned by the applicant: Assets are not effectively owned when they are held in an individual's name, but (a) the assets and any income they earn accrue to the benefit of someone else who is not the applicant, and (b) that other person is responsible for income taxes incurred on income generated by the assets.**



## RIVERSIDE WOODS

### Summary of Deed Rider Restrictions

- \* Units cannot be leased, refinanced, or have capital improvements made without the PRIOR approval of Andover Community Trust and the Town of Andover.
- \* Units must be resold to eligible buyers with owners providing notice when they are ready to sell to both Andover Community Trust and the Town of Andover.
- \* Resale prices are set using a formula that maintains the affordability in perpetuity and only increases sales prices at the same rate as Area Median Incomes increase
- \* All buyers should review the Deed Rider with their own attorney to insure that they fully understand its provisions
- \* Units remain affordable and subject to the Deed Rider in perpetuity
- \* Owners must live in the units as their primary residence





# ANDOVER AFFORDABLE HOUSING RIVERSIDE WOODS LOTTERY APPLICATION

Name \_\_\_\_\_ Home Tel. # \_\_\_\_\_

Address \_\_\_\_\_ Work Tel. # \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Social Security # \_\_\_\_\_ Number in Household \_\_\_\_\_

Email Address: \_\_\_\_\_

## HOUSEHOLD MEMBERS:

Please list **ALL** household members who will occupy the affordable home:

Name	Date of Birth	Sex	Relationship
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

I/We applying for a One Bedroom unit YES \_\_\_\_\_ NO \_\_\_\_\_

I/We are applying for a Two Bedroom unit YES \_\_\_\_\_ NO \_\_\_\_\_

PLEASE ANSWER THE FOLLOWING QUESTIONS THAT APPLY TO YOU:

I/We are applying as an applicant with income at or below 60% of Area Median Income YES \_\_\_\_\_ NO \_\_\_\_\_

I/We are applying as an applicant with income at or below 80% of Area Median Income YES \_\_\_\_\_ NO \_\_\_\_\_

I/We are applying as an applicant with income at or below 120% of Area Median Income YES \_\_\_\_\_ NO \_\_\_\_\_

I/We are applying for Local Preference and will provide documentation to demonstrate our qualification for it. YES \_\_\_\_\_ NO \_\_\_\_\_

## INCOME INFORMATION:

Please complete the following information for all persons receiving income in the household for the past twelve months. Documentation will need to be provided with your application if you wish to enter the lottery.

	Applicant	Co- Applicant	Other
Salary	_____	_____	_____
Interest & Dividends	_____	_____	_____
Veteran's Benefits	_____	_____	_____
Alimony/Child Support	_____	_____	_____
Other Income	_____	_____	_____
Total Income	_____	_____	_____

## Value of Assets

Name on Account \_\_\_\_\_  
Bank Name \_\_\_\_\_  
Address \_\_\_\_\_  
Savings \_\_\_\_\_  
Checking \_\_\_\_\_  
Other \_\_\_\_\_

Name on Account \_\_\_\_\_  
Bank Name \_\_\_\_\_  
Address \_\_\_\_\_  
Savings \_\_\_\_\_  
Checking \_\_\_\_\_  
Other \_\_\_\_\_

Name on Account \_\_\_\_\_  
Bank Name \_\_\_\_\_  
Address \_\_\_\_\_  
Savings \_\_\_\_\_  
Checking \_\_\_\_\_  
Other \_\_\_\_\_

Securities Value \_\_\_\_\_  
Real Estate Location & Value \_\_\_\_\_  
Other Assets of Value \_\_\_\_\_  
Retirement Assets \_\_\_\_\_

PLEASE CHECK THE FOLLOWING ITEMS THAT APPLY TO YOU:

- \_\_\_\_\_ I/We certify that our household is \_\_\_\_\_ persons
- \_\_\_\_\_ I/We certify that at least one member of our household is age 62 or older.
- \_\_\_\_\_ I/We certify that our household has at least one person who qualifies for Local Preference.
- \_\_\_\_\_ I/We certify that our household income does not exceed the income limits provided in the Lottery Information Packet.
- \_\_\_\_\_ I/We certify that our household assets do not exceed the maximum amount allowed of \$275,000, including net proceeds from the sale of a house.
- \_\_\_\_\_ I/We certify that our household is able to provide the minimum down payment required.
- \_\_\_\_\_ I/We certify that we have received a pre-approval letter from a financing Institution proving our qualification for a mortgage to buy an affordable unit.
- \_\_\_\_\_ I/We certify that the information in this application and in support of this application is true and correct to the best of my/our knowledge and belief. I/We understand that perjury will result in disqualification from further consideration.

Your signature(s) below gives consent to Pulte Home's lottery agent, JWO Consultant Services, to verify all income and asset information provided in this application and DHCD will provide final verification prior to closing. No applications will be considered complete unless signed and dated by the Applicant/Co-Applicant. This form must be signed by all household members age 18 years or older.

\_\_\_\_\_  
Applicant Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Co-Applicant Signature

\_\_\_\_\_  
Date

**IT IS THE DEVELOPER'S OBLIGATION NOT TO  
DISCRIMINATE IN THE SELECTION OF APPLICANTS**

**ALL DISABLED PERSONS ARE ENTITLED TO A  
REASONABLE ACCOMMODATION OF THE HOUSING**



**ALL APPLICATIONS MUST BE SUBMITTED TO:**

**JWO Consultant Services,  
P.O. Box 323  
Westwood, MA 02090**

**BY OCTOBER 9, 2017 TO BE ENTERED IN THE LOTTERY**

**RIVERSIDE WOODS, ANDOVER, MA**

**Exhibit B: Deed Rider: Local Initiative Program Deed Rider**

I/We have read the summary of resale restrictions in the Information Packet and agree to the restrictions. I/We have been advised that a copy of the LIP Deed Rider is available for my/our further review from the lottery agent or lottery website, or at [www.mass.gov/hed/docs/dhcd/hd/lip/lipdeedrider.pdf](http://www.mass.gov/hed/docs/dhcd/hd/lip/lipdeedrider.pdf). I/We also understand that, if selected in the lottery to purchase a unit, a full copy of the Deed Rider will be provided by the Developer or its Lottery Agent.

Applicant \_\_\_\_\_ Date \_\_\_\_\_

Co-Applicant \_\_\_\_\_ Date \_\_\_\_\_

**Supporting Documents Needed to Prove Qualification**

1. Copies of last five weeks of pay stubs
2. Copies of last three years of Federal tax returns with most recent W-2s
3. Copies of last three months of checking, savings, and asset account statements
4. A pre-approval letter from an institutional mortgage lender familiar with Deed Restricted properties must accompany this application.

**This form must be signed by all household members who will be listed on the mortgage and returned with your application.**

